

OUR ECONOMIC PROSPECTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, data released Monday on productivity and wages show why the American people do not believe President Bush when he says our economic prospects are bright and improving.

Yes, productivity is strong, and the economy is growing. But the benefits of that growth are showing up in the bottom lines of companies, not in the paychecks of American workers.

While productivity grew at a 4.7 percent annual rate in the third quarter, workers' pay, including benefits, shrank at a 1.4 percent rate. Let me repeat that important point. Workers' pay shrank by 1.4 percent.

Americans are working harder and producing more, but they are getting paid less.

President Bush is seizing on some recent favorable economic indicators to claim that the Nation's economic outlook is brighter than we have seen recently. I certainly wish that that were true for most Americans. The typical American family has a very different view because they know that they are still being left behind in the current economic recovery.

When I listen to the President recite the numbers he thinks show Americans are doing better, I am reminded of his speech in the Rose Garden several days after Katrina struck the Gulf Coast, when he recited the numbers of trucks, pounds of rice and the National Guardsmen he had ordered to New Orleans. Meanwhile, anyone with a TV set would see that Americans were still desperately struggling to survive with absolutely no Federal help.

The President seems equally out of touch on the economy. Ask your constituents how they are doing. Ask them if they have a secure job with benefits. Ask them if they are confident that they will have a job until they are ready to retire. Ask them if they think their children will have a job when they graduate from college.

In fact, a closer look at the numbers show that the administration has run a strong economy into the ground. Here are the facts. Under the Bush presidency, the economy has experienced the most protracted job slump in the postwar era. That is the worst record of any president since Hoover and the Great Depression.

The unemployment rate is nearly 1 percentage point higher than it was when President Bush took office. That is a 25 percent increase from where it was in the Clinton administration.

Over 1.6 million more people are unemployed. Twice as many people are long-term unemployed. Most people are actually earning less. The typical worker's earnings have barely kept up with inflation under President Bush, and real wages have been declining recently.

Under President Bush, real median household income is down \$1,700, and 5.4 million more Americans live in poverty. That is the greatest decline in real household income and the second largest increase in the poverty rate of the last nine administrations. The most vulnerable among us are being hit the hardest. Under President Bush, real median family income has fallen for each fifth of the income distribution, but the largest decline has been in the poorest fifth of the distribution.

Because of the reckless economic policies of this administration, large projected budget surpluses have been turned into large actual deficits and the Federal debt is ballooning, rather than shrinking as it was at the end of the Clinton administration.

And here we see the numbers in blue of the surpluses during the Clinton years. Yet when the Bush Administration came to power, that surplus disappeared and we have had ever increasing deficits reaching the highest deficit recorded in our history of over \$412 billion. It has come down to \$319 billion, but it is still a structural problem.

We also have the largest trade deficit in the history of this country, of over \$670 billion.

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As Federal Reserve Chairman Greenspan and many other economists repeatedly noted, our exploding deficits and debt are long-term structural problems that are rapidly getting worse. Only last week he repeated that warning: "In the end, the consequences for the U.S. economy of doing nothing could be severe," and our allies have called our deficits "unsustainable" even as we continue to increase the amount of U.S. debt held by China and other Asian nations.

As Chairman Greenspan also warned recently, "at some point, foreign investors will balk at further financing" the growing U.S. deficit.

Thanks to the economic policies of this Administration, our national debt now stands at \$8.3 trillion. That translates into over \$27 thousand of debt for every man, woman and child in the country.

What is this Administration doing about this crisis?

They have increased the debt ceiling three times.

They have pushed for deficit-raising tax cuts for the very wealthiest while refusing to give tax relief to the middle class.

This Administration is continuing to set records for debts and deficits while turning its back on working Americans.

The SPEAKER pro tempore (Mr. MCHENRY). Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

WE ARE WINNING THE WAR AND WINNING THE PEACE IN IRAQ

Mr. PENCE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Texas (Mr. PAUL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

Mr. PENCE. Mr. Speaker, despite what many Americans may see on cable television networks over the last several months, as I learned again today in a meeting with the President of the United States; the Secretary of Defense; with General Casey, the four-star general in charge of Operation Iraqi Freedom, through a satellite link, Mr. Speaker, we are winning the war in Iraq. And 7 days from today in the midst of an ongoing victory for the freedom of tens of millions of Iraqi people, we will once again see the people of Iraq use the freedom won by the American soldier in forming their own government and adopting parliamentary elections.

The ongoing victory in Iraq was described by the President at a speech just 1 week ago at the Naval Academy in Annapolis, Maryland; and like the meeting that I attended at the White House today, I had the privilege of joining the President for that address, and there he described his strategy for victory.

And let me say that while there have been sometimes loud and cacophonous debates on this floor about the need for a plan or the lack of a plan, what is available today, Mr. Speaker, at whitehouse.gov for all Americans to examine is a recently declassified version of what has always been the plan. It is, in effect, a three-track approach that involves political, military, and economic initiatives to achieve a free and stable and democratic Iraq, and we are winning in this cause.

With less than 7 days to go before the Iraqi people will engage in parliamentary elections, I am delighted to report to the Members and any looking on that the American people, the people in Indiana that I serve, will be proud to hear what I have heard, to see what I have seen in my three different trips to Operation Iraqi Freedom, and they too would conclude inexorably that we are winning the war in Iraq.

On the military front, as General Casey described today, over 200,000 Iraqis have been trained and equipped, both military and police personnel. For the national elections that took place earlier this year, there were 80,000 fewer Iraqis in uniform. Today there is one full Iraqi division, four Iraqi brigades, four Iraqi battalions that are leading the fight in places like Najaf, Karbala, the dangerous road to the airport in Baghdad, in Tikrit. In one city